

LEGISLATURE OF THE STATE OF IDAHO
Sixty-second Legislature Second Regular Session - 2014

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 601

BY HEALTH AND WELFARE COMMITTEE

AN ACT

RELATING TO INDIGENT SICK; AMENDING SECTION 31-3502, IDAHO CODE, TO REVISE
THE DEFINITION OF REIMBURSEMENT RATE BY REMOVING A SUNSET PROVISION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 31-3502, Idaho Code, be, and the same is hereby
amended to read as follows:

31-3502. DEFINITIONS. As used in this chapter, the terms defined in
this section shall have the following meaning, unless the context clearly
indicates another meaning:

(1) "Applicant" means any person who is requesting financial assis-
tance under this chapter.

(2) "Application" means the combined application for state and county
medical assistance pursuant to sections 31-3504 and 31-3503E, Idaho Code.
In this chapter an application for state and county medical assistance shall
also mean an application for financial assistance.

(3) "Board" means the board of the catastrophic health care cost pro-
gram, as established in section 31-3517, Idaho Code.

(4) "Case management" means coordination of services to help meet a pa-
tient's health care needs, usually when the patient has a condition that re-
quires multiple services.

(5) "Catastrophic health care costs" means the cost of necessary medi-
cal services received by a recipient that, when paid at the then existing re-
imbursement rate, exceeds the total sum of eleven thousand dollars (\$11,000)
in the aggregate in any consecutive twelve (12) month period.

(6) "Clerk" means the clerk of the respective counties or his or her de-
signee.

(7) "Completed application" shall include at a minimum the cover sheet
requesting services, applicant information including diagnosis and re-
quests for services and signatures, personal and financial information of
the applicant and obligated person or persons, patient rights and responsi-
bilities, releases and all other signatures required in the application.

(8) "County commissioners" means the board of county commissioners in
their respective counties.

(9) "County hospital" means any county approved institution or facil-
ity for the care of sick persons.

(10) "Department" means the department of health and welfare.

(11) "Dependent" means any person whom a taxpayer claims as a dependent
under the income tax laws of the state of Idaho.

(12) "Emergency service" means a service provided for a medical condi-
tion in which sudden, serious and unexpected symptoms of illness or injury
are sufficiently severe to necessitate or call for immediate medical care,
including, but not limited to, severe pain, that the absence of immediate

1 medical attention could reasonably be expected by a prudent person who pos-
 2 sesses an average knowledge of health and medicine, to result in:

- 3 (a) Placing the patient's health in serious jeopardy;
- 4 (b) Serious impairment to bodily functions; or
- 5 (c) Serious dysfunction of any bodily organ or part.

6 (13) "Hospital" means a facility licensed and regulated pursuant to
 7 sections 39-1301 through 39-1314, Idaho Code, or an out-of-state hospital
 8 providing necessary medical services for residents of Idaho, wherein a re-
 9 ciprocal agreement exists, in accordance with section 31-3503B, Idaho Code,
 10 excluding state institutions.

11 (14) "Medicaid eligibility review" means the process used by the de-
 12 partment to determine whether a person meets the criteria for medicaid cov-
 13 erage.

14 (15) "Medical claim" means the itemized statements and standard forms
 15 used by hospitals and providers to satisfy centers for medicare and medicaid
 16 services (CMS) claims submission requirements.

17 (16) "Medical home" means a model of primary and preventive care deliv-
 18 ery in which the patient has a continuous relationship with a personal physi-
 19 cian in a physician directed medical practice that is whole person oriented
 20 and where care is integrated and coordinated.

21 (17) "Medically indigent" means any person who is in need of necessary
 22 medical services and who, if an adult, together with his or her spouse, or
 23 whose parents or guardian if a minor or dependent, does not have income and
 24 other resources available to him from whatever source sufficient to pay for
 25 necessary medical services. Nothing in this definition shall prevent the
 26 board and the county commissioners from requiring the applicant and obli-
 27 gated persons to reimburse the county and the catastrophic health care cost
 28 program, where appropriate, for all or a portion of their medical expenses,
 29 when investigation of their application pursuant to this chapter, deter-
 30 mines their ability to do so.

31 (18) A. "Necessary medical services" means health care services and
 32 supplies that:

- 33 (a) Health care providers, exercising prudent clinical judgment,
 34 would provide to a person for the purpose of preventing, evalu-
 35 ating, diagnosing or treating an illness, injury, disease or its
 36 symptoms;
- 37 (b) Are in accordance with generally accepted standards of medi-
 38 cal practice;
- 39 (c) Are clinically appropriate, in terms of type, frequency, ex-
 40 tent, site and duration and are considered effective for the cov-
 41 ered person's illness, injury or disease;
- 42 (d) Are not provided primarily for the convenience of the person,
 43 physician or other health care provider; and
- 44 (e) Are the most cost-effective service or sequence of services or
 45 supplies, and at least as likely to produce equivalent therapeutic
 46 or diagnostic results for the person's illness, injury or disease.

47 B. Necessary medical services shall not include the following:

- 48 (a) Bone marrow transplants;
- 49 (b) Organ transplants;
- 50 (c) Elective, cosmetic and/or experimental procedures;

(d) Services related to, or provided by, residential, skilled nursing, assisted living and/or shelter care facilities;

(e) Normal, uncomplicated pregnancies, excluding caesarean section, and childbirth well-baby care;

(f) Medicare copayments and deductibles;

(g) Services provided by, or available to, an applicant from state, federal and local health programs;

(h) Medicaid copayments and deductibles; and

(i) Drugs, devices or procedures primarily utilized for weight reduction and complications directly related to such drugs, devices or procedures.

(19) "Obligated person" means the person or persons who are legally responsible for an applicant including, but not limited to, parents of minors or dependents.

(20) "Primary and preventive health care" means the provision of professional health services that include health education and disease prevention, initial assessment of health problems, treatment of acute and chronic health problems and the overall management of an individual's health care services.

(21) "Provider" means any person, firm or corporation certified or licensed by the state of Idaho or holding an equivalent license or certification in another state, that provides necessary medical services to a patient requesting a medically indigent status determination or filing an application for financial assistance.

(22) "Recipient" means an individual determined eligible for financial assistance under this chapter.

(23) "Reimbursement rate" means the unadjusted medicaid rate of reimbursement for medical charges allowed pursuant to title XIX of the social security act, as amended, that is in effect at the time service is rendered. ~~Beginning July 1, 2011, and sunseting July 1, 2014, The~~ "reimbursement rate" shall mean ninety-five percent (95%) of the unadjusted medicaid rate.

(24) "Resident" means a person with a home, house, place of abode, place of habitation, dwelling or place where he or she actually lived for a consecutive period of thirty (30) days or more within the state of Idaho. A resident does not include a person who comes into this state for temporary purposes, including, but not limited to, education, vacation, or seasonal labor. Entry into active military duty shall not change a person's residence for the purposes of this chapter. Those physically present within the following facilities and institutions shall be residents of the county where they were residents prior to entering the facility or institution:

(a) Correctional facilities;

(b) Nursing homes or residential or assisted living facilities;

(c) Other medical facility or institution.

(25) "Resources" means all property, for which an applicant and/or an obligated person may be eligible or in which he or she may have an interest, whether tangible or intangible, real or personal, liquid or nonliquid, or pending, including, but not limited to, all forms of public assistance, crime victims compensation, worker's compensation, veterans benefits, medicaid, medicare, supplemental security income (SSI), third party insurance, other insurance or apply for section 1011 of the medicare modernization act

1 of 2003, if applicable, and any other property from any source. Resources
2 shall include the ability of an applicant and obligated persons to pay for
3 necessary medical services, excluding any interest charges, over a period
4 of up to five (5) years starting on the date necessary medical services are
5 first provided. For purposes of determining approval for medical indigency
6 only, resources shall not include the value of the homestead on the applicant
7 or obligated person's residence, a burial plot, exemptions for personal
8 property allowed in section 11-605(1) through (3), Idaho Code, and addi-
9 tional exemptions allowed by county resolution.

10 (26) "Third party applicant" means a person other than an obligated per-
11 son who completes, signs and files an application on behalf of a patient. A
12 third party applicant who files an application on behalf of a patient pur-
13 suant to section 31-3504, Idaho Code, shall, if possible, deliver a copy of
14 the application to the patient within three (3) business days after filing
15 the application.

16 (27) "Third party insurance" means casualty insurance, disability in-
17 surance, health insurance, life insurance, marine and transportation in-
18 surance, motor vehicle insurance, property insurance or any other insurance
19 coverage that may pay for a resident's medical bills.

20 (28) "Utilization management" means the evaluation of medical neces-
21 sity, appropriateness and efficiency of the use of health care services,
22 procedures and facilities. "Utilization management" may include, but is
23 not limited to, preadmission certification, the application of practice
24 guidelines, continued stay review, discharge planning, case management,
25 preauthorization of ambulatory procedures, retrospective review and claims
26 review. "Utilization management" may also include the amount to be paid
27 based on the application of the reimbursement rate to those medical services
28 determined to be necessary medical services.